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STATE OF MARYLAND
DEPARTMENT OF AGRICULTURE

Testimony
On
The Delmarva Conservation Corridor
By
The Maryland Department of Agriculture
To
The Fisheries Conservation, Wildlife and Oceans Subcommittee
Of
The House Resources Committee

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Salisbury University
Salisbury, Maryland

Good morning, Mr. Chairman, members and staff of the Subcommittee. My name is Royden N. Powell, III. I am the Assistant Secretary for the Office of Resource Conservation within the Maryland Department of Agriculture and I will be presenting testimony today on behalf of the Department.

The Maryland Department of Agriculture (MDA) supports the Delmarva Conservation Corridor (DCC) initiative and led the process to develop the Maryland proposal. Governor Ehrlich has been a strong advocate for our Maryland farmers and the Chesapeake Bay, working hard to expand support for agriculture, conservation and restoration programs. Governor Ehrlich has actively supported efforts to move the DCC process forward. Specifically, he has urged USDA to implement the Maryland Proposal and supported efforts to secure language in the annual appropriations bill clarifying Congress' intent when they included the DCC in the Farm Bill. For the record, we have attached copies of Governor Ehrlich's letters to USDA and the House Agriculture Appropriations Subcommittee. The Governor's Office and MDA continue to work directly with USDA staff in an effort to implement the DCC or its components. We appreciate the Chairman's assistance in working with USDA and the State to secure additional conservation funding commitments for Maryland farmers.

The Maryland DCC proposal is the product of a collaborative effort, involving stakeholders from agriculture, environment and federal, state and local government partners. The recommendations and requests are rooted in a series of local town hall style meetings that were held to gauge the public's interests and concerns. We asked specific questions and fostered discussion with the public on the issues most critical to the long term viability of agriculture and rural communities on Maryland's Eastern Shore. The proposal reflects a comprehensive approach to economic viability and environmental stewardship that is vital to the region. The Maryland proposal goes beyond conservation issues and includes rural development and market enhancement components, because agriculture is vital to conservation.

Maryland identifies the nine counties that make up its portion of the Delmarva Peninsula simply as the Eastern Shore. The area remains generally rural in character with agricultural representing 45% of the total land use and resource based lands representing 92% of land use. The land area is interlaced with a series of major tributaries to the Chesapeake Bay, creating a magnificent mosaic of land and water. Maryland's Eastern Shore continues to be the State's major agricultural production area for poultry, corn, soybeans, wheat and vegetables. The poultry industry dominates the agricultural and local economy in most of the region. Approximately 35% of Maryland's cash farm income was from broilers with a production value of \$552,560,000 in 2001. Maryland ranked 7th among all states in the number of broilers produced.

The rural character of the region is, however, under increasing pressure from a growing population. Growth and development from the Baltimore/Washington area to the west, the Wilmington/Philadelphia region to the north and the recreational attractions of the Ocean beaches, all threaten the rural, natural resource based economy. Rising land values challenge the ability of people working the land to preserve the very qualities that are drawing new residents and tourists to the area. While land use policies are largely locally driven, a farmer's decision to convert to some other land use is often based on economic considerations. The overwhelming message arising from our town hall meetings was that, if we are to maintain agriculture as a dominant land use in the long term, our success will depend on the economic viability of the agriculture industry. Farmers will only continue to farm to the extent that it is profitable. Individual farmers working the land function just like any other business enterprise. The activity cannot be sustained without positive economic returns.

Maryland's proposal for the Conservation Corridor includes a cross section of initiatives to maintain the land base, protect natural resources, enhance technologies, develop new markets, and reduce risks.

Preserving agriculture land is the highest priority. We must maintain a critical mass of land area dedicated to agricultural production. The Maryland Agricultural Land Preservation Foundation has been a model and national leader in securing perpetual easements on agricultural land. These state efforts have been enhanced with new federal resources provided in the Farm Bill. The Farm and Ranch Land Protection Program (FRPP) through the United States Department of Agriculture (USDA) has provided a match for state and local resources dedicated to land preservation. USDA's recent announcement that they would provide an additional \$5 million in conservation funds in 2004 for the Delmarva region is a wonderful example of the type of support which is needed.

When it comes to conservation, our most successful efforts have occurred on privately owned land. Maintaining production capacity over the long term has been the mantra of agricultural conservation programs. More recently, maintaining the health and viability of all of the resources has become increasingly critical as we improve our understanding of the relationships that exist between the land and the water. A farmer living on the land has the greatest stake in protecting the natural resources. The agricultural community has readily implemented cost effective approaches to soil conservation and water quality improvement. A major focus of our DCC proposal is enhancing the application of practices to improve the environment. Cover crops have been a proven tool to reduce nitrogen run-off from crop land. With the expanse of grain acreage in the region, 70% of the acreage enrolled in cover crop cost share programs has historically been on the Eastern Shore. While Maryland recently passed legislation generating additional funding for cover crops, the DCC request for cover crop and small grain enhancement is critical. Improving the efficiency of our irrigation and drainage systems is important, as is exploring new ways to provide technical and finance assistance to help implement best management practices.

In addition to land preservation and conservation, we must explore new opportunities for agricultural commodities and products on Delmarva. Whether we fuel our cars and our tractors with ethanol produced from barley or market new bakery products made with locally milled flour, there is strength in diversification. Managing the risks of production through crop insurance programs also enhances long term viability. That is why these components were included in the Maryland DCC proposal.

We recognize that to fully implement Maryland proposal, funding would have to occur beyond the Conservation title of the Farm Bill, under which DCC is authorized. Efforts to protect natural resources are clearly important but, in order to address certain economic considerations vital to long term viability, we must utilize programs and initiatives supported under other titles of the Farm Bill. Rural Development, Research, Forestry and Energy titles will be integral to the implementation of key components for Maryland. While land preservation and conservation are the focus of the DCC, we must also look to secure assistance with the rural development and market enhancement components of the Maryland proposal.

Achieving the nutrient reduction commitments for the Chesapeake Bay and protecting local waterways will require a massive effort from everyone. If we are to be successful in achieving these goals, every single person living in the watershed will have a role. Across all sectors, we need to implement all existing effective and feasible practices and develop new tools for the job. Whether it's the cover crops which we know are effective or the Precision Agriculture that we need to develop, funding of the DCC initiative would be a tremendous benefit to our efforts.

In order for the DCC to become a reality, we need to address the stalemate that has surfaced between Congress and USDA. USDA maintains that an explicit appropriation is necessary to implement the DCC. The House Agriculture Appropriations Subcommittee has indicated that, in their view, an explicit appropriation is not necessary. Until this issue is resolved, we remain very concerned about our potential to realize the goals set forth in the Maryland DCC proposal.

The bottom line is that we must support an approach that promotes and sustains the rural communities of Maryland's Eastern Shore. Our ability to sustain an agriculture industry over the long term is dependent upon an approach using technologies and programs that address economics, as well as environmental quality and natural resource protection. The Delmarva Conservation Corridor is such an approach.

Thank you for the opportunity to appear before you today.

Submitted by:

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